



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Administrative Officer

At its meeting held September 20, 2005, the Board took the following action:

15

Supervisor Yaroslavsky made the following statement:

"The County owns a 27,024 square-foot medical clinic building on 59,024 square feet of land located at 5205 Melrose Ave., Los Angeles (Property) a portion of which is considered surplus to any present or foreseeable County needs. A portion of this building is used as an outpatient health center operated by The Los Angeles Free Clinic (L AFC), a nonprofit corporation, under a Public-Private Partnership agreement. The remainder of the building is used by the Department of Health Services (DHS) for public health purposes.

"The Los Angeles Free Clinic wishes to expand its services to the uninsured and underinsured in the Hollywood-Wilshire area by utilizing a larger portion of the clinic building. L AFC currently occupies 3366 sq ft in the building and wishes to expand into an additional 2188 sq ft of the surplus space. L AFC will build out and furnish the space utilizing \$500,000 in privately-raised funds, creating a new Children's and Family Health Center that will provide medical and dental services and health education classes on chronic disease management. The expansion will enable L AFC to provide an additional 20,000 annual visits by low-income, primarily-uninsured residents. The Los Angeles Free Clinic proposes to operate the subject health center as an outpatient clinic providing services deemed appropriate by the DHS to meet the needs of the surrounding community in exchange for a 40-year, full-service lease for a total of 5554 sq ft at a monthly full service rent of \$3370 beginning in the year the new Children's and Family Health Center begins operation and subject to cost escalators appropriate to the nonprofit nature of the service provider. The County will reserve the right to take back the property in the event that The L AFC fails to operate the property as an outpatient health center for low-income residents, or if the property is destroyed, or for any other reason becomes economically unviable for the County to operate.

(Continued on Page 2)

“The Los Angeles Free Clinic is recognized as a 501(c)(3) organization in compliance with Internal Revenue Code regulations.”

Therefore, on motion of Supervisor Yaroslavsky, seconded by Supervisor Burke, unanimously carried (Supervisor Antonovich being absent), the Board took the following actions as authorized by Government Code Section 26227:

1. Made a finding that:
 - Leased premises of a medical clinic building located at 5205 Melrose Avenue, Los Angeles (3), is surplus to, and not needed for, any present or foreseeable County needs or purposes and that the lease terms set forth are in the best interest of the County and general public;
 - The health care services provided by the Los Angeles Free Clinic (LAFC) to the local community are necessary to meet the social needs of the population of the County and serve public purposes which benefit the County; and
 - The lease is categorically exempt from the California Environmental Quality Act and pursuant to Class 12 of the County's Environmental Document Reporting Procedures and Guidelines;
2. Approved a 40-year, full-service lease with The LAFC to expand its current clinic space by an additional 2188 sq ft for a total of 5554 sq ft, at an initial rent of \$3,370 per month, beginning in the year The LAFC's new Children's and Family Health Center begins operation, subject to cost escalators appropriate to the nonprofit nature of the service provider, in exchange for The LAFC's commitment to provide the funds, staff and management to operate a health clinic at the subject property; subject to the condition that the property will be used continuously and exclusively for outpatient health care purpose for the poor, with the property and services to be equally open and available to residents of incorporated and unincorporated territory and there shall be no discrimination against or preference, gratuity, bonus or other benefits given to residents of incorporated area not equally accorded residences of unincorporated territory, and in the event that The LAFC does not comply with operating continuously and exclusively an outpatient health clinic for the uninsured and underinsured population at the property then the lease will terminate;

(Continued on Page 3)

15 (Continued)

3. Authorized the Chief Administrative Officer to negotiate terms of the lease and execute a 40-year lease incorporating the terms herein and those reasonably determined by the Chief Administrative Officer to be included in a lease of this nature, subject to approval as to form by County Counsel; and
4. Instructed the Chief Administrative Officer to finalize the terms of the lease as soon as possible, but no later than November 1, 2005.

07092005_15

Copies distributed:

Each Supervisor

County Counsel

Director of Health Services